



J. TYLER McCAULEY
AUDITOR-CONTROLLER

**COUNTY OF LOS ANGELES
DEPARTMENT OF AUDITOR-CONTROLLER**

KENNETH HAHN HALL OF ADMINISTRATION
500 WEST TEMPLE STREET, ROOM 525
LOS ANGELES, CALIFORNIA 90012-2766
PHONE: (213) 974-8301 FAX: (213) 626-5427

January 31, 2006

TO: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

FROM: J. Tyler McCauley 
Auditor-Controller

SUBJECT: **REVOLVING FUNDS AND REVOLVING CASH TRUST FUNDS AS OF
JUNE 30, 2004 AND 2005**

Attached is a detailed report on County departments' Revolving Fund and Revolving Cash Trust Fund (RCTF) assignments. The report shows the amount, responsible County manager, fund number and account number for each assignment as of June 30, 2004 and 2005.

Background

On April 4, 1978, your Board adopted a resolution, pursuant to Government Code Section 29321.1, authorizing the Auditor-Controller to perform the functions of your Board to establish, discontinue, increase or decrease revolving funds that are authorized by and established pursuant to Article 2, Chapter 2, Division 3, Title 3 of the Government Code. Departments use revolving funds to make change, small purchases and for other specific purposes, such as Cash Aid disbursements and grants.

Similarly, on October 21, 1980, your Board adopted a resolution, pursuant to Government Code Section 25252.6, authorizing the Auditor-Controller to perform the functions of your Board to establish and determine the amount of Revolving Cash Trust Funds that are authorized by and established pursuant to Part 2, Division 2, Title 3 of the Government Code. Departments use Revolving Cash Trust Funds to expedite high volume refunds.

Under the authorizations, we are required to file a written report with your Board showing all Revolving Fund and Revolving Cash Trust Fund assignments.

Summary of Activity as of June 30, 2004

As of June 30, 2004, total Revolving Fund assignments were \$10,678,441 and total RCTF assignments were \$1,265,720. Eight million dollars of the Revolving Fund assignments belonged to the Children and Families First Proposition 10 Commission (Prop 10 Commission). The Commission is required to keep its funds in the County Treasury. The remaining \$2,678,441 in revolving funds (\$10,678,441 less \$8,000,000) was assigned to various County departments as detailed in Attachment I. Attachment II shows the RCTF assignments to County departments.

In fiscal year (FY) 2003-04, Revolving Fund assignments increased by \$7,823,000 compared to 2002-03, and RCTF assignments decreased by \$8,500. The changes resulted from the following activities:

- The Prop 10 Commission increased its revolving fund by \$7,750,000. The Commission indicated that the increase was necessary due to an increase in new programs.
- The Sheriff increased its special appropriation revolving fund by \$75,000.
- The Department of Mental Health decreased its revolving fund by \$2,000.
- The Department of Health Services decreased the Rancho Los Amigos National Rehabilitation Center RCTF by \$5,000 and closed the High Desert Hospital \$3,500 RCTF.

During our review, we noted that the Sheriff had transferred some RCTF monies without notifying the Audit Division. As a result, the transfer activities were not shown in the County's accounting records. We discussed these issues with the Sheriff, and they agreed to request approval for future changes in the RCTF.

Summary of Activity as of June 30, 2005

As of June 30, 2005, total Revolving Fund assignments were \$10,674,141 and total RCTF assignments were \$1,265,720. Eight million dollars of the Revolving Fund assignments belonged to the Prop 10 Commission. Compared to FY 2003-04, County department Revolving Fund assignments decreased by \$4,300 and RCTF assignments remained unchanged. The \$4,300 decrease in Revolving Fund assignments resulted from the Department of Auditor-Controller decreasing its revolving fund by \$2,300, and the Internal Services Department decreasing its revolving fund by \$2,000.

Board of Supervisors
January 31, 2006
Page 3

Please call me if you have any questions, or your staff may contact Jim Schneiderman at (626) 293-1101.

JTM:MMO:JLS:TK

H:\ Revolving Fund Board Report 2003-2005

Attachments

c: David E. Janssen, Chief Administrative Officer
Violet Varona-Lukens, Executive Officer
Connie Yee, Division Chief, Auditor-Controller Accounting Division
Audit Committee

Revolving Fund Assignments

Revolving fund monies, established in accordance with Government Code Section 29321.1, are available for use by department heads to make change when necessary in carrying out official County business and to make authorized purchases of services and materials which are legal charges against the County. A departmental revolving fund can be assigned or subassigned to various locations (sections, divisions, etc.) within a department. Departments handle each subassignment in the same manner as the regular fund assignment.

Departments may also request revolving funds for specific purposes such as Cash Aid disbursements and grants. Regardless of the purpose, authority to spend funds must be granted in the Board approved budgetary process and operating funds must be encumbered prior to making expenditures.

REVOLVING FUND ASSIGNMENTS AS OF JUNE 30, 2004 AND 2005						
	ACCOUNT TITLE	COUNTY OFFICER	FUND (1)	ACCOUNT NUMBER	FY '03-'04 AMOUNT	FY '04-'05 AMOUNT
1	Administrative Office, Chief (CAO)	David E. Janssen	A01	1096	\$ 3,500	\$ 3,500
2	Agricultural Comm/Weights & Measures	Kurt Floren	A01	1012	3,250	3,250
3	Animal Care and Control	Marcia Mayeda	A01	1013	7,500	7,500
4	Assessor	Rick Auerbach	A01	1015	5,340	5,340
5	Auditor - Controller	J. Tyler McCauley	A01	1016	13,600	11,300
6	Beaches and Harbors	Stan Wisniewski	A01	1017	8,200	8,200
7	Board of Supervisors (BOS)	Violet Varona-Lukens	A01	1018	10,000	10,000
8	BOS - Empl. Srv. & Comm for Women	Violet Varona-Lukens	A01	1060	6,000	6,000
9	BOS - Extra Expenses	Violet Varona-Lukens	A01	1019	10,000	10,000
10	CAO - Blue Cross Health Plan	David E. Janssen	B02	1010	100,000	100,000
11	Child Support Services	Philip L. Browning	A01	102A	5,000	5,000
12	Children & Families First (Prop 10)	Evelyn Martinez	B20	1010	8,000,000	8,000,000
13	Children's Services	David Sanders	A01	1011	129,000	129,000
14	Children's Services - Cash Aid	David Sanders	A01	1084	2,500	2,500
15	Community and Senior Citizen Svcs	Cynthia D. Banks	A01	1080	8,200	8,200
16	Consumer Affairs	Pastor Herrera Jr.	A01	1078	300	300
17	Coroner	Anthony T. Hernandez	A01	1020	10,250	10,250
18	County Counsel	Raymond G. Fortner Jr.	A01	1022	50,000	50,000
19	Department of Human Resources	Michael J. Henry	A01	102B	5,000	5,000
20	District Attorney	Steve Cooley	A01	1024	797,000	797,000
21	Fire Department	P. Michael Freeman	DA1	1010	25,000	25,000
22	Health Services (HS) Administration	Dr. Thomas L. Garthwaite	A01	1027	34,400	34,400
23	HS - Cash Aid	Dr. Thomas L. Garthwaite	A01	1085	150	150
24	HS - Harbor/UCLA - Cash Aid	Dr. Thomas L. Garthwaite	MN1	1085	1,200	1,200
25	HS - Harbor/UCLA Medical Center	Dr. Thomas L. Garthwaite	MN1	1010	3,500	3,500
26	HS - High Desert - Cash Aid	Dr. Thomas L. Garthwaite	MN6	1085	500	500
27	HS - High Desert Hospital	Dr. Thomas L. Garthwaite	MN6	1010	2,500	2,500
28	HS - King/Drew - Cash Aid	Dr. Thomas L. Garthwaite	MN5	1085	1,500	1,500
29	HS - King/Drew Medical Center	Dr. Thomas L. Garthwaite	MN5	1010	10,000	10,000
30	HS - LAC/USC - Cash Aid	Dr. Thomas L. Garthwaite	MN4	1085	5,000	5,000

REVOLVING FUND ASSIGNMENTS AS OF JUNE 30, 2004 AND 2005						
	ACCOUNT TITLE	COUNTY OFFICER	FUND (1)	ACCOUNT NUMBER	FY '03-'04 AMOUNT	FY '04-'05 AMOUNT
31	HS - LAC/USC Medical Center	Dr. Thomas L. Garthwaite	MN4	1010	23,555	23,555
32	HS - Olive View/UCLA - Cash Aid	Dr. Thomas L. Garthwaite	MN3	1085	676	676
33	HS - Olive View/UCLA Medical Center	Dr. Thomas L. Garthwaite	MN3	1010	5,150	5,150
34	HS - Rancho Los Amigos Med Cntr	Dr. Thomas L. Garthwaite	MN7	1010	7,500	7,500
35	Human Relations	Robin S. Toma	A01	1028	4,350	4,350
36	Internal Services (ISD)	David Lambertson	A01	1025	31,350	29,350
37	Mental Health	Dr. Marvin J. Southard	A01	1031	6,000	6,000
38	Military and Veterans Affairs	Joseph N. Smith	A01	1032	2,000	2,000
39	Museum of Natural History	Dr. Jane G. Pisano	A01	1059	6,050	6,050
40	Office of County Security	Margaret A. York	A01	1030	5,000	5,000
41	Parks and Recreation - Administration	Russ Guiney	A01	1061	80,000	80,000
42	Parks and Recreation - Arboretum	Russ Guiney	A01	1014	750	750
43	Probation - Administration	Paul Higa	A01	1079	32,855	32,855
44	Probation - Work Furlough	Paul Higa	A01	1062	25	25
45	Public Defender	Michael P. Judge	A01	1067	1,000	1,000
46	Public Library	Margaret Donnellan Todd	B06	1010	15,475	15,475
47	Public Social Services - Cash Aid	Bryce Yokomizo	A01	1086	60,000	60,000
48	Public Social Services - Federal Prgm	Bryce Yokomizo	A01	1087	30,000	30,000
49	Public Social Services - Regular	Bryce Yokomizo	A01	1069	20,000	20,000
50	Public Works - Administration	Donald L. Wolfe	A01	1094	10,618	10,618
51	Public Works - Flood (Imprest)	Donald L. Wolfe	B07	1010	7,623	7,623
52	Public Works - Road (Imprest)	Donald L. Wolfe	B03	1010	14,429	14,429
53	Regional Planning	James E. Hartl	A01	1071	2,000	2,000
54	Registrar - Recorder	Conny B. McCormack	A01	1072	18,000	18,000
55	Sheriff - Expedited Claims	Leroy D. Baca	A01	1098	20,000	20,000
56	Sheriff - Narcotics Enforcement	Leroy D. Baca	DN2	1093	300,000	300,000
57	Sheriff - Regular	Leroy D. Baca	A01	1075	67,050	67,050
58	Sheriff - Special Appropriation	Leroy D. Baca	A01	1095	300,000	300,000
59	Superior Court - Alhambra	John A. Clarke	A01	1033	1,235	1,235
60	Superior Court - Antelope	John A. Clarke	A01	1034	350	350
61	Superior Court - Beverly Hills	John A. Clarke	A01	1035	1,050	1,050
62	Superior Court - Burbank	John A. Clarke	A01	1036	1,570	1,570
63	Superior Court - Citrus	John A. Clarke	A01	1037	2,000	2,000
64	Superior Court - Compton	John A. Clarke	A01	1038	7,500	7,500
65	Superior Court - Culver	John A. Clarke	A01	1039	700	700
66	Superior Court - Downey	John A. Clarke	A01	1040	5,000	5,000
67	Superior Court - East LA	John A. Clarke	A01	1041	500	500
68	Superior Court - Glendale	John A. Clarke	A01	1043	2,685	2,685

REVOLVING FUND ASSIGNMENTS AS OF JUNE 30, 2004 AND 2005						
	ACCOUNT TITLE	COUNTY OFFICER	FUND (1)	ACCOUNT NUMBER	FY '03-'04 AMOUNT	FY '04-'05 AMOUNT
69	Superior Court - Huntington Park	John A. Clarke	A01	1052	415	415
70	Superior Court - Inglewood	John A. Clarke	A01	1044	4,000	4,000
71	Superior Court - Long Beach	John A. Clarke	A01	1045	2,500	2,500
72	Superior Court - Los Angeles	John A. Clarke	A01	1046	22,800	22,800
73	Superior Court - Los Cerritos	John A. Clarke	A01	1047	1,300	1,300
74	Superior Court - Malibu	John A. Clarke	A01	1048	1,450	1,450
75	Superior Court - Newhall	John A. Clarke	A01	1049	2,575	2,575
76	Superior Court - Pasadena	John A. Clarke	A01	1050	580	580
77	Superior Court - Planning & Research	John A. Clarke	A01	1090	100	100
78	Superior Court - Pomona	John A. Clarke	A01	1051	2,800	2,800
79	Superior Court - Rio Hondo	John A. Clarke	A01	1042	870	870
80	Superior Court - Santa Anita	John A. Clarke	A01	1053	1,500	1,500
81	Superior Court - Santa Monica	John A. Clarke	A01	1054	1,500	1,500
82	Superior Court - South Bay	John A. Clarke	A01	1055	6,500	6,500
83	Superior Court - South Gate	John A. Clarke	A01	1056	350	350
84	Superior Court - Whittier	John A. Clarke	A01	1057	1,065	1,065
85	Treasurer and Tax Collector - MHRP	Mark J. Saladino	A01	1100	100,000	100,000
86	Treasurer and Tax Collector (TTC)	Mark J. Saladino	A01	1077	9,000	9,000
87	TTC - Cash Differences & Overages	Mark J. Saladino	A01	1089	16,700	16,700
88	TTC - Estate Administration & Ins.	Mark J. Saladino	A01	1066	150,000	150,000
TOTAL ASSIGNMENT AMOUNT					\$ 10,678,441	\$ 10,674,141
TOTAL NUMBER OF ASSIGNMENTS					88	88

(1) A01 - General Fund

B02, B03, B06, B07, B20 - Special Revenue Funds

DA1 - Consolidated Fire District Fund

DN2 - Other Public Protection Funds

MN1, MN3 - MN7 - Enterprise Funds

Revolving Cash Trust Fund Assignments

Revolving Cash Trust Funds (RCTF) are established in accordance with Section 25252.6 of the Government Code. An RCTF is an amount of cash requisitioned from trust and set aside to expedite high volume refunds. An RCTF can only be used by an officer or department head for payments which are legally payable out of the deposits in the trust fund from which the cash is being requisitioned.

RCTF ASSIGNMENTS AS OF JUNE 30, 2004 AND 2005						
	ACCOUNT TITLE	COUNTY OFFICER	FUND (1)	ACCOUNT NUMBER	FY '03-'04 AMOUNT	FY '04-'05 AMOUNT
1	Coroner	Anthony T. Hernandez	TK7	1102	\$ 10,000	\$ 10,000
2	Child Support Services - DA-Intercept	Philip L. Browning	TQ2	1103	350,000	350,000
3	HS - Acton Rehab Center	Dr. Thomas L. Garthwaite	TK7	1140	7,500	7,500
4	HS - Harbor/UCLA Medical Center	Dr. Thomas L. Garthwaite	TK7	1136	5,000	5,000
5	HS - King/Drew Patient Pers.	Dr. Thomas L. Garthwaite	TK7	1137	5,000	5,000
6	HS - LAC/USC - Resident Sec.	Dr. Thomas L. Garthwaite	TK7	1134	2,000	2,000
7	HS - LAC/USC Patient Pers.	Dr. Thomas L. Garthwaite	TK7	1132	16,000	16,000
8	HS - Olive View/UCLA Med. Center	Dr. Thomas L. Garthwaite	TK7	1139	3,000	3,000
9	HS - Rancho Los Amigos Med. Center	Dr. Thomas L. Garthwaite	TK7	1138	5,000	5,000
10	HS - Warm Spgs Rehab. Center	Dr. Thomas L. Garthwaite	TK7	1141	4,000	4,000
11	Military and Veterans Affairs	Joseph N. Smith	TG5	1010	3,000	3,000
12	Probation - Kirby Center	Paul Higa	TK7	1135	220	220
13	Probation - Ward Monies	Paul Higa	TK7	1142	5,000	5,000
14	Sheriff - Central Jail	Leroy D. Baca	TK7	1129	25,000	25,000
15	Sheriff - Mira Loma	Leroy D. Baca	TK7	1143	25,000	25,000
16	Sheriff - Sybil Brand	Leroy D. Baca	TK7	1130	10,000	10,000
17	Superior Court - Alhambra	John A. Clarke	TK7	1104	20,000	20,000
18	Superior Court - Antelope Valley	John A. Clarke	TK7	1105	40,000	40,000
19	Superior Court - Beverly Hills	John A. Clarke	TK7	1106	30,000	30,000
20	Superior Court - Burbank	John A. Clarke	TK7	1107	20,000	20,000
21	Superior Court - Citrus	John A. Clarke	TK7	1108	40,000	40,000
22	Superior Court - Compton	John A. Clarke	TK7	1109	50,000	50,000
23	Superior Court - Culver	John A. Clarke	TK7	1110	20,000	20,000
24	Superior Court - Downey	John A. Clarke	TK7	1111	15,000	15,000
25	Superior Court - East LA	John A. Clarke	TK7	1112	20,000	20,000
26	Superior Court - Glendale	John A. Clarke	TK7	1114	20,000	20,000
27	Superior Court - Huntington Park	John A. Clarke	TK7	1125	20,000	20,000
28	Superior Court - Inglewood	John A. Clarke	TK7	1115	35,000	35,000
29	Superior Court - Long Beach	John A. Clarke	TK7	1116	50,000	50,000
30	Superior Court - Los Angeles	John A. Clarke	TK7	1117	150,000	150,000

RCTF ASSIGNMENTS AS OF JUNE 30, 2004 AND 2005						
	ACCOUNT TITLE	COUNTY OFFICER	FUND (1)	ACCOUNT NUMBER	FY '03-'04 AMOUNT	FY '04-'05 AMOUNT
31	Superior Court - Los Cerritos	John A. Clarke	TK7	1118	20,000	20,000
32	Superior Court - Malibu	John A. Clarke	TK7	1119	15,000	15,000
33	Superior Court - Newhall	John A. Clarke	TK7	1120	15,000	15,000
34	Superior Court - Pasadena	John A. Clarke	TK7	1121	25,000	25,000
35	Superior Court - Rio Hondo	John A. Clarke	TK7	1113	20,000	20,000
36	Superior Court - Santa Anita	John A. Clarke	TK7	1123	15,000	15,000
37	Superior Court - Santa Monica	John A. Clarke	TK7	1124	30,000	30,000
38	Superior Court - South Bay	John A. Clarke	TK7	1127	75,000	75,000
39	Superior Court - South Gate	John A. Clarke	TK7	1126	20,000	20,000
40	Superior Court - Whittier	John A. Clarke	TK7	1128	25,000	25,000
	TOTAL ASSIGNMENT AMOUNT				\$ 1,265,720	\$ 1,265,720
	TOTAL NUMBER OF ASSIGNMENTS				40	40

- (1) TK7 - Revolving Trust Funds
TG5, TQ2 - Other Agency Funds